

**COMPENSATION SUMMARY FOR EXECUTIVE MANAGEMENT,
SENIOR MANAGEMENT, UNCLASSIFIED MIDDLE MANAGEMENT/PROFESSIONAL,
CONFIDENTIAL MIDDLE MANAGEMENT/PROFESSIONAL, UNCLASSIFIED
CONFIDENTIAL, CONFIDENTIAL CLASSIFIED, MAYOR, COUNCIL, CITY ATTORNEY AND
UNCLASSIFIED HOURLY EMPLOYEES**

FISCAL YEAR 2013-2014, 2014-2015 (expires June 30, 2015)

I. EXECUTIVE MANAGEMENT GROUP

(ALL EMPLOYEES PROVIDED FOR IN THIS GROUP ARE FLSA-EXEMPT)

A. SALARY & WAGES

1. Salary Increases

- a. Starting July 12, 2013, all Executive positions shall receive a 2% salary adjustment
- b. In the first full pay period of January 2014, certain Executive positions may receive salary adjustments that will be based on internal alignment, compaction issues and the distance from the 66% of the market data.
- c. For Fiscal Year 2014-2015
 - i. There shall be no automatic salary adjustments, however, the City would endeavor in good faith, but cannot commit and is not required to, provide additional salary adjustments in FY 2014-15 based upon the City Manager's determination that salary adjustments are feasible based upon, but not limited to, consideration of the following financial indicators:
 - 1. The FiveYear Financial Forecast prepared by the the Finance Department reflects a structually balanced budget during the term of the next possible salary adjustment increases
 - 2. Assessed Value increased greater than 2% CPI based on the most recent report from the County of San Diego.
 - 3. General Fund Total Operating reserves have remained stable from the prior fiscal year.
 - 4. Sales Tax Trends reflect average increases in the past three consecutive reporting periods when compared to the same reporting periods in the prior year.

B. BENEFITS

1. Deferred Compensation Plan

- a. 457 plan - Employees in the Executive Group may participate in the City's approved deferred compensation plans.

2. Cafeteria Plan

- a. In calendar year 2013, Executive Managers will receive \$15,162 annually to be used for the purchase of approved employee benefits through the City's cafeteria plan.
- b. In the event of increases in health care plan premiums, the City will split the cost of the increase 50/50 with the employees. The annual cafeteria plan benefit allotment will be increased by one-half of the average cost increase for full family non-indemnity health plan premiums. The City's share of the increased cost will be added to the beginning cafeteria plan balance of the next available cafeteria plan year.
- c. From the annual Cafeteria Plan allotment, each employee must elect medical coverage under one of the City sponsored plans, unless the employee has group medical insurance from another source including coverage under their City employee spouse's plan in which case they may waive coverage so long as the alternative plan is deemed to be an acceptable plan by the City. Waiver of coverage is irrevocable during a plan year unless the City is notified within 30 days that the employee has involuntarily lost the alternative coverage.
- d. The Flex Benefit Amount for Employee Only, those with coverage outside of the City, and those employees covered by another City Employee is fixed at the amount provided in the calendar year 2013 (\$15,162). The flex amount for Employee+1 and Employee+Family will be adjusted under the current 50/50 cost sharing formula.

3. Short/Long Term Disability Insurance

The City will pay the full cost of the short/long-term disability insurance premium for Executive Managers.

4. Life Insurance

City pays for a Group Term Life and AD&D insurance policy with coverage in the amount of \$50,000 per employee.

5. Retirement

The City will provide to unrepresented members retirement benefits via contract with the California Public Employees Retirement System (CalPERS) as set forth in the California Government Code.

The City will provide the following defined benefit formulas:

Tier 1*	Local Miscellaneous 3% @ 60 Local Safety 3% @ 50
Tier 2**	Local Miscellaneous 2% @ 60

Local Safety 3% @ 55

Tier 3*** Local Miscellaneous 2% @ 62
Local Safety 2.7% @ 57

* CalPERS members on or before 04/21/2011

** New CalPERS members on or after 04/22/2011 through 12/31/2012

*** New CalPERS members on or after 01/01/2013

Tier 1: Local Miscellaneous 3% @ 60 and Local Safety 3% @ 50

Local Miscellaneous unrepresented employees in Tier 1 shall contribute 8%, which will be applied to the City's contribution to CalPERS for optional benefits.

Local Safety unrepresented employees in Tier 1 shall contribute 9%, which will be applied to the City's contribution to CalPERS for optional benefits.

The following is a summary of Tier 1 CalPERS contract provisions:

- A. One-Year Final Compensation
- B. Post-Retirement Survivor Allowance
- C. Credit for Unused Sick Leave
- D. 4th Level 1959 Survivor Benefit.
- E. Military Service Credit as Prior Service
- F. Cost of Living Allowance (2%)
- G. Post-Retirement Survivor Allowance Continuance
- H. Pre-Retirement Death Benefit for Spouse
- I. Retired Death Benefit \$5,000
- J. Prior Service Credit
- K. Employer Paid Member Contributions reported as earnings

Tier 2: Local Miscellaneous 2% @ 60 and Local Safety 3% @ 55

Local Miscellaneous unrepresented employees in Tier 2 shall contribute 7%, which will be applied to the employee contribution to CalPERS.

Local Safety unrepresented employees in Tier 2 shall contribute 9%, which will be applied to the employee contribution to CalPERS.

The following is a summary of Tier 2 CalPERS contract provisions:

- A. Three-Year Final Compensation
- B. Post-Retirement Survivor Allowance
- C. Credit for Unused Sick Leave
- D. 4th Level 1959 Survivor Benefit.

- E. Military Service Credit as Prior Service
- F. Cost of Living Allowance (2%)
- G. Post-Retirement Survivor Allowance Continuance
- H. Pre-Retirement Death Benefit for Spouse
- I. Retired Death Benefit \$5,000
- J. Prior Service Credit

Tier 3: Local Miscellaneous 2% @ 62 and Local Safety 2.7% @ 57

Local Miscellaneous and Local Safety unrepresented employees in Tier 3 shall be responsible for the full employee contribution, which will be applied to the CalPERS employee contribution.

To the extent permitted by Assembly Bill 340, known as the California Public Employees' Pension Reform Act of 2013, the following is a summary of Tier 3 benefits:

- A. Three-Year Final Compensation
- B. Post-Retirement Survivor Allowance
- C. Credit for Unused Sick Leave
- D. 4th Level 1959 Survivor Benefit. The monthly member cost for this benefit will be paid by the City.
- E. Military Service Credit as Prior Service
- F. Cost of Living Allowance (2%)
- G. Post-Retirement Survivor Allowance Continuance
- H. Pre-Retirement Death Benefit for Spouse
- I. Retired Death Benefit \$5,000
- J. Prior Service Credit

6. Termination of Sick Leave Balances

Upon either acceptance of an application by a Safety employee for disability retirement, or upon the independent determination of CalPERS that a non-safety employee is disabled, the employee shall not be entitled to use any remaining sick leave to cover absences beyond their FMLA entitlement. Sick leave balances may be applied to applicable CalPERS service credit. An application for industrial disability retirement, either employee or employer initiated, shall not affect the employee's rights' under Workers Compensation laws, such as any otherwise existing right to Temporary Disability benefits for safety officers.

7. Sick Leave

Sick leave shall accrue and be reimbursed as designated in the Civil Service Rules.

8. Annual leave

- a. Executive Managers shall earn five weeks (25 days) annual leave per fiscal year accrued at 7.69 hours per pay period. An employee may not accumulate more than three times the number of annual leave days accrued annually.
- b. Executive Managers will have the option of selling back 2 weeks accrued annual leave each fiscal year.

9. Holidays

- a. Executive Managers will be credited 24 hours each fiscal year for floating holidays (Lincoln's and Washington's Birthdays, and Admission Day).
- b. The City will be closed on the following hard holidays: Independence Day, Labor Day, Veterans Day, Thanksgiving, the day after Thanksgiving, Christmas, New Year's Day, Martin Luther King Jr.'s Birthday, Cesar Chavez Day, Memorial Day.

10. Administrative Leave

Executive Managers will receive (ninety-six) 96 hours of Administrative Leave each fiscal year.

11. Mileage Reimbursement

Employees in this unit shall be subject to a mileage reimbursement program when required to use their private automobile for authorized City business. Reimbursement rate will be tied to the IRS rate, in effect at the time reimbursement is requested, as permitted by law.

12. Severance Pay

In the event an Executive Manager is terminated without cause, he or she shall receive compensation in a lump sum cash payment equal to nine (9) months of his or her annual salary and health insurance payments. The aforementioned severance pay shall not be reduced during the term of their employment. Notwithstanding the aforementioned severance terms, if an Executive Manager has an employment contract their severance payment shall be as set forth in their employment contract.

13. Special Assignment Pay

Executive Managers may receive up to 10% additional compensation when assigned by the City Manager to a special project.

14. Educational and Uniform Allowances

The Police Chief and Fire Chief will be provided with the uniform allowance and educational differentials as specified in the POA and IAFF MOUs respectively.

II. **SENIOR MANAGEMENT GROUP**
(ALL EMPLOYEES PROVIDED FOR IN THIS GROUP ARE FLSA-EXEMPT)

A. SALARY & WAGES

1. One-time Stipend

Senior Management employees shall receive a one-time stipend in the amount of \$750 by the end of January 2013. This one-time stipend is not intended to and does not meet the definition of special compensation outlined in the California Code of Regulations 571(a) and therefore is not a reportable compensation to CalPERS.

2. Salary Increases

a. Starting July 12, 2013, all Senior Managers positions shall receive a 2% salary adjustment

b. In the first full pay period of January 2014, certain Senior Manager positions may receive salary adjustments that will be based internal alignment, compaction issues and the distance from 66% of the market data.

c. For Fiscal Year 2014-2015

i. There shall be no automatic salary adjustments, however, the City would endeavor in good faith, but cannot commit and is not required to, provide additional salary adjustments in FY 2014-15 based upon the City Manager's determination that salary adjustments are feasible based upon, but not limited to, consideration of the following financial indicators:

1. The FiveYear Financial Forecast prepared by the the Finance Department reflects a structually balanced budget during the term of the next possible salary adjustement increases
2. Assessed Value increased greater than 2% CPI based on the most recent report from the County of San Diego.
3. General Fund Total Operating reserves have remained stable from the prior fiscal year.
4. Sales Tax Trends reflect average increases in the past three consecutive reporting periods when compared to the same reporting periods in the prior year.

B. BENEFITS

1. Deferred Compensation Plan

- a. 457 plan - Employees in the Senior Management Group may participate in the City's approved deferred compensation plans.

2. Cafeteria Plan

- a. In calendar year 2013, Senior Managers will receive \$13,762 annually to be used for the purchase of approved employee benefits.
- b. In the event of increases in health care plan premiums, the City will split the cost of the increase 50/50 with the employees. The annual cafeteria plan allotment will be increased by one-half of the average cost increase for full family non-indemnity health plan premiums. The City's share of the increased cost will be added to the beginning cafeteria plan balance of the next available cafeteria plan year.
- c. From the annual Cafeteria Plan allotment, each employee must elect medical coverage under one of the City sponsored plans, unless the employee has group medical insurance from another source including coverage under their City employee spouse's plan in which case they may waive coverage so long as the alternative plan is deemed to be an acceptable plan by the City. When waiving coverage the full value of the Cafeteria Plan allotment will be available to purchase any of the other options available under the Cafeteria Plan. Waiver of coverage is irrevocable during a plan year unless the City is notified within 30 days that the employee has involuntarily lost the alternative coverage.
- d. The Flex Benefit Amount for Employee Only, those with coverage outside of the City, and those employees covered by another City Employee is fixed at the amount provided in the calendar year 2013 (\$13,762). The flex amount for Employee+1 and Employee+Family will be adjusted under the current 50/50 cost sharing formula.

3. Short/Long Term Disability Insurance

The City will pay the full cost of the short/long-term disability insurance premium for Senior Managers.

4. Life Insurance

City pays for a Group Term Life and AD&A insurance policy with coverage in the amount of \$50,000 per employee.

5. Retirement

The City will provide to unrepresented members retirement benefits via contract with the California Public Employees Retirement System (CalPERS) as set forth in the California Government Code.

The City will provide the following defined benefit formulas:

Tier 1* Local Miscellaneous 3% @ 60
 Local Safety 3% @ 50

Tier 2** Local Miscellaneous 2% @ 60
 Local Safety 3% @ 55

Tier 3*** Local Miscellaneous 2% @ 62
 Local Safety 2.7% @ 57

* CalPERS members on or before 04/21/2011

** New CalPERS members on or after 04/22/2011 through 12/31/2012

***New CalPERS members on or after 01/01/2013

Tier 1: Local Miscellaneous 3% @ 60 and Local Safety 3% @ 50

Local Miscellaneous unrepresented employees in Tier 1 shall contribute 8%, which will be applied to the City's contribution to CalPERS for optional benefits.

Local Safety unrepresented employees in Tier 1 shall contribute 9%, which will be applied to the City's contribution to CalPERS for optional benefits.

The following is a summary of Tier 1 CalPERS contract provisions:

- A. One-Year Final Compensation
- B. Post-Retirement Survivor Allowance
- C. Credit for Unused Sick Leave
- D. 4th Level 1959 Survivor Benefit.
- E. Military Service Credit as Prior Service
- F. Cost of Living Allowance (2%)
- G. Post-Retirement Survivor Allowance Continuance
- H. Pre-Retirement Death Benefit for Spouse
- I. Retired Death Benefit \$5,000
- J. Prior Service Credit
- K. Employer Paid Member Contributions reported as earnings

Tier 2: Local Miscellaneous 2% @ 60 and Local Safety 3% @ 55

Local Miscellaneous unrepresented employees in Tier 2 shall contribute 7%, which will be applied to the employee contribution to CalPERS.

Local Safety unrepresented employees in Tier 2 shall contribute 9%, which will be applied to the employee contribution to CalPERS.

The following is a summary of Tier 2 CalPERS contract provisions:

- A. Three-Year Final Compensation
- B. Post-Retirement Survivor Allowance
- C. Credit for Unused Sick Leave
- D. 4th Level 1959 Survivor Benefit.
- E. Military Service Credit as Prior Service
- F. Cost of Living Allowance (2%)
- G. Post-Retirement Survivor Allowance Continuance
- H. Pre-Retirement Death Benefit for Spouse
- I. Retired Death Benefit \$5,000
- J. Prior Service Credit

Tier 3: Local Miscellaneous 2% @ 62 and Local Safety 2.7% @ 57

Local Miscellaneous and Local Safety unrepresented employees in Tier 3 shall be responsible for the full employee contribution, which will be applied to the CalPERS employee contribution.

To the extent permitted by Assembly Bill 340, known as the California Public Employees' Pension Reform Act of 2013, the following is a summary of Tier 3 benefits:

- A. Three-Year Final Compensation
- B. Post-Retirement Survivor Allowance
- C. Credit for Unused Sick Leave
- D. 4th Level 1959 Survivor Benefit. The monthly member cost for this benefit will be paid by the City.
- E. Military Service Credit as Prior Service
- F. Cost of Living Allowance (2%)
- G. Post-Retirement Survivor Allowance Continuance
- H. Pre-Retirement Death Benefit for Spouse
- I. Retired Death Benefit \$5,000
- J. Prior Service Credit

6. Termination of Sick Leave Balances

Upon either acceptance of an application by a Safety employee for disability retirement, or upon the independent determination of PERS that a non-safety employee is disabled, the employee shall not be entitled to use any remaining sick leave to cover absences beyond their FMLA entitlement. Sick leave balance may be applied to applicable PERS service credit. An application for

industrial disability retirement, either employee or employer initiated, shall not affect the employee's rights under Workers Compensation laws, such as any otherwise existing right to Temporary Disability benefits for safety officers.

7. Sick Leave

Sick leave shall accrue and be reimbursed as designated in the Civil Service Rules

8. Annual Leave

- a. Senior Managers shall earn a minimum of three weeks (15 days) annual leave per year during the first through ninth year of continuous service, four weeks (20 days) annual leave after completion of tenth through fourteenth year of continuous service, and five weeks (25 days) annual leave for fifteen or more years of continuous service. An employee may not accumulate more than three times the number of annual leave days accrued annually.
- b. Senior Managers have the option of selling back 2 weeks of accrued annual leave each fiscal year.

9. Holidays

- a. Senior Managers will be credited 24 hours each fiscal year for floating holidays (Lincoln's and Washington's Birthdays, and Admission Day).
- b. The City will be closed on the following hard holidays: Independence Day, Labor Day, Veterans Day, Thanksgiving, day after Thanksgiving, Christmas, New Year's Day, Martin Luther King Jr.'s Birthday, Cesar Chavez Day, Memorial Day.

10. Mileage Reimbursement

Employees in this unit shall be subject to a mileage reimbursement program when required to use their private automobile for authorized City business. Reimbursement rate will be tied to the IRS rate, in effect at the time reimbursement is requested, as permitted by law.

11. Administrative Leave

Senior Managers will receive (ninety-six) 96 hours of Administrative Leave each fiscal year.

12. Special Assignment Pay

Senior Managers may receive up to 10% additional compensation when assigned by the City Manager to a special project.

13. Uniform Allowances and Educational Differentials

Sworn public safety senior managers will be provided with the uniform allowance and educational differentials as specified in the applicable public safety MOU.

III. **UNCLASSIFIED AND CONFIDENTIAL MIDDLE MANAGEMENT/PROFESSIONAL GROUP** - ALL EMPLOYEES PROVIDED FOR IN THIS GROUP ARE FLSA-EXEMPT; CONFIDENTIAL MIDDLE MANAGERS/PROFESSIONALS ARE CLASSIFIED UNREPRESENTED EMPLOYEES UNLESS OTHERWISE NOTED IN EXHIBIT X – GROUP MEMBERSHIP LISTING.

A. **SALARY & WAGES**

1. **One-time Stipend**

Unclassified and Confidential Middle Management employees shall receive a one-time stipend in the amount of \$750 by the end of January 2013. This one-time stipend is not intended to and does not meet the definition of special compensation outlined in the California Code of Regulations 571(a) and therefore is not a reportable compensation to CalPERS.

2. **Salary Increases**

a. Starting July 12, 2013, all Unclassified and Confidential Middle Management/Professional positions shall receive a 2% salary adjustment

b. In the first full pay period of January 2014, Unclassified and Confidential Middle Management/Professional employees in classifications identified below shall receive the following salary adjustments:

i. Unclassified and Confidential Middle Management/Professional employees in the following classifications shall receive a 3% salary adjustment:

1. Law Office Manager
2. Transit Manager

ii. Unclassified and Confidential/Professional employees in the following classifications shall receive a 2% salary adjustment:

1. Fiscal & Management Analyst
2. Benefits Manager
3. Principal Human Resources Analyst
4. Senior Human Resources Analyst
5. Human Resources Analyst

iii. Unclassified and Confidential Management/Professional employees not receiving a salary adjustment set forth in section 2.b.i or ii, shall receive a 1% salary adjustment.

c. **For Fiscal Year 2014-2015**

i. There shall be no automatic salary adjustments, however, the City would endeavor in good faith, but cannot commit and is not required to, provide additional salary adjustments in FY 2014-15 based upon the City Manager's determination that salary adjustments are feasible based upon, but not limited to, consideration of the following financial indicators:

1. The FiveYear Financial Forecast prepared by the the Finance Department reflects a structually balanced budget during the term of the next possible salary adjustement increases
2. Assessed Value increased greater than 2% CPI based on the most recent report from the County of San Diego.
3. General Fund Total Operating reserves have remained stable from the prior fiscal year.
4. Sales Tax Trends reflect average increases in the past three consecutive reporting periods when compared to the same reporting periods in the prior year

B. BENEFITS

1. Acting Pay

Unclassified and Confidential Middle Managers/Professionals may receive Acting Pay when they are temporarily assigned to a vacant position to perform the duties of a higher paid classification. Acting Pay shall be approved by the City Manager or his or her designee prior to the assignment. The assignment shall be for a period of more than 10 consecutive work days, and the employee may be compensated with a minimum of 5 percent above current salary rate up to a maximum of 20 percent, effective the next full pay period.

2. Out of Class Assignment

Unclassified and Confidential Middle Managers/Professionals may receive Out of Class Assignment (OCA) pay in the event that they are assigned duties of a higher level classification for a period of more than 10 consecutive work days. The assignment must be approved in advance by the City Manager or his or her designee and the employee may be compensated with a minimum of 5 percent above current salary rate up to a maximum of 20 percent, effective the next full pay period.

NOTE: *For clarification, OCA is differentiated from Acting Pay in that OCA is granted to an employee remaining in their current classification, but performing higher level duties even though no vacancy may exist at the higher level. Acting Pay is granted to employees assuming the duties of a vacant, higher level position for a period of time.*

3. Retirement

The City will provide to unrepresented members retirement benefits via contract with the California Public Employees Retirement System (CalPERS) as set forth in the California Government Code.

The City will provide the following defined benefit formulas:

Tier 1* Local Miscellaneous 3% @ 60

Local Safety 3% @ 50

Tier 2** Local Miscellaneous 2% @ 60
Local Safety 3% @ 55

Tier 3*** Local Miscellaneous 2% @ 62
Local Safety 2.7% @ 57

* CalPERS members on or before 04/21/2011

** New CalPERS members on or after 04/22/2011 through 12/31/2012

***New CalPERS members on or after 01/01/2013

Tier 1: Local Miscellaneous 3% @ 60 and Local Safety 3% @ 50

Local Miscellaneous unrepresented employees in Tier 1 shall contribute 8%, which will be applied to the City's contribution to CalPERS for optional benefits.

Local Safety unrepresented employees in Tier 1 shall contribute 9%, which will be applied to the City's contribution to CalPERS for optional benefits.

The following is a summary of Tier 1 CalPERS contract provisions:

- A. One-Year Final Compensation
- B. Post-Retirement Survivor Allowance
- C. Credit for Unused Sick Leave
- D. 4th Level 1959 Survivor Benefit.
- E. Military Service Credit as Prior Service
- F. Cost of Living Allowance (2%)
- G. Post-Retirement Survivor Allowance Continuance
- H. Pre-Retirement Death Benefit for Spouse
- I. Retired Death Benefit \$5,000
- J. Prior Service Credit
- K. Employer Paid Member Contributions reported as earnings

Tier 2: Local Miscellaneous 2% @ 60 and Local Safety 3% @ 55

Local Miscellaneous unrepresented employees in Tier 2 shall contribute 7%, which will be applied to the employee contribution to CalPERS.

Local Safety unrepresented employees in Tier 2 shall contribute 9%, which will be applied to the employee contribution to CalPERS.

The following is a summary of Tier 2 CalPERS contract provisions:

- A. Three-Year Final Compensation
- B. Post-Retirement Survivor Allowance

- C. Credit for Unused Sick Leave
- D. 4th Level 1959 Survivor Benefit.
- E. Military Service Credit as Prior Service
- F. Cost of Living Allowance (2%)
- G. Post-Retirement Survivor Allowance Continuance
- H. Pre-Retirement Death Benefit for Spouse
- I. Retired Death Benefit \$5,000
- J. Prior Service Credit

Tier 3: Local Miscellaneous 2% @ 62 and Local Safety 2.7% @ 57

Local Miscellaneous and Local Safety unrepresented employees in Tier 3 shall be responsible for the full employee contribution, which will be applied to the CalPERS employee contribution.

To the extent permitted by Assembly Bill 340, known as the California Public Employees' Pension Reform Act of 2013, the following is a summary of Tier 3 benefits:

- A. Three-Year Final Compensation
- B. Post-Retirement Survivor Allowance
- C. Credit for Unused Sick Leave
- D. 4th Level 1959 Survivor Benefit
- E. Military Service Credit as Prior Service
- F. Cost of Living Allowance (2%)
- G. Post-Retirement Survivor Allowance Continuance
- H. Pre-Retirement Death Benefit for Spouse
- I. Retired Death Benefit \$5,000
- J. Prior Service Credit

4. Termination of Sick Leave Balances

Upon either acceptance of an application by a Safety employee for disability retirement, or upon the independent determination of PERS that a non-safety employee is disabled, the employee shall not be entitled to use any remaining sick leave to cover absences beyond their FMLA entitlement. Sick leave balance may be applied to applicable PERS service credit. An application for industrial disability retirement, either employee or employer initiated, shall not affect the employee's rights under Workers Compensation laws, such as any otherwise existing right to Temporary Disability benefits for safety officers.

5. 457 plan - Deferred Compensation Plans

Employees in the Unclassified and Confidential Middle Management/Professional Group may participate in the City's approved deferred compensation plans.

6. Cafeteria Plan

- a. In calendar year 2013, each Unclassified and Confidential Middle Manager/Professional will receive \$12,762 to be used solely for approved employee benefits.
- b. In the event of increases in health care plan premiums, the City will split the cost of the increase 50/50 with the employees. The annual cafeteria plan allotment will be increased by one-half of the average cost increase for full family non-indemnity health plan premiums. The City's share of the increased cost will be added to the beginning cafeteria plan balance of the next available cafeteria plan year.
- c. From the Cafeteria Plan allotment, each represented employee must select coverage for him or herself under one of the City sponsored medical plans. However, if the employee has group medical insurance from another reliable source that is acceptable to the City of Chula Vista Department of Human Resources, the employee may elect to decline medical insurance from a City provider and apply the value, of the City's "Flexible Benefit Plan" contribution to other available City Flex options. Any employee married to another benefited City employee who is covered under his or her spouse's plan may waive coverage under the Cafeteria Plan. Any employee who declines medical insurance coverage may enroll in the City medical plan prior to the next open enrollment only if the employee involuntarily loses the coverage. Enrollment application must be received in Human Resources within 30 days from loss of coverage. The employee, through payroll deductions, will pay any premium cost in excess of the Cafeteria Plan Allotment.
- d. The Flex Benefit amount for Employee Only, those with coverage outside of the City, and those employees covered by another City employee is fixed at the amount provided in the calendar year 2013 (\$12,762). The flex amount for Employee+1 and Employee+Family will be adjusted under the current 50/50 cost sharing formula.

7. Life Insurance

City pays for a group term life insurance policy with coverage in the amount of \$50,000 per employee.

8. Short/Long Term Disability Insurance

The City will pay the full cost of the short/long-term disability insurance premium for middle management/professional positions.

9. Professional Enrichment

The Unclassified and Confidential Middle Managers/Professionals are eligible to participate in the City's Professional Enrichment Program. The annual

Professional Enrichment Fund allocation for Unclassified and Confidential Professional Enrichment Fund of \$15,600. An employee is eligible to receive up to \$1,000 per fiscal year for professional enrichment. Funds may be used at any time during the fiscal year. Fiscal year reimbursements under the City's "Professional Enrichment" will be closed the second Thursday in June. Employees may request reimbursement for professional enrichment expenses in accordance with Internal Revenue Code Section 132, or any other applicable state and federal law. Employees must receive approval from their Appointing Authority or designee before funds may be claimed for reimbursement. Reimbursements are on a first come, first serve basis until the funds have been exhausted.

10. Sick Leave Reimbursement

Sick leave shall accrue and be reimbursed as designated in the Civil Service Rules.

11. Annual Leave

- a. Unclassified and Confidential Middle Managers/Professionals will earn two weeks (10 days) annual leave per year in the first through fourth year of continuous employment, three weeks (15 days) annual leave per year in the fifth through ninth year of continuous service, four weeks annual leave (20 days) per year in the tenth through fourteenth year of continuous service, and five weeks annual leave (25 days) for fifteen or more years of continuous service. An employee may not accumulate more than three times the number of annual leave days accrued annually.
- b. Unclassified and Confidential Middle Managers/Professionals who have completed at least five (5) years of service shall have the option of selling back a total of 80 hours of accrued annual leave two times per fiscal year in 40 hour increments.

12. Administrative Leave

Unclassified and Confidential Middle Managers/Professionals, will receive 88 hours of Administrative Leave each fiscal year.

13. Holidays

- a. Unclassified and Confidential Middle Managers/Professionals will receive 24 hours each fiscal year for floating holidays (Lincoln's and Washington's Birthdays, and Admission Day).
- b. The City will be closed on the following hard holidays: Independence Day, Labor Day, Veterans Day, Thanksgiving, Day After Thanksgiving, Christmas, New Year's Day, Martin Luther King Jr.'s Birthday, Cesar Chavez Day, Memorial Day.

14. Mileage Reimbursement

Unclassified and Confidential Middle Managers/Professionals shall be subject to a mileage reimbursement program when required to use their private automobile for authorized City business. Reimbursement rate will be tied to the IRS rate, in effect at the time reimbursement is requested, as permitted by law.

15. Uniform Allowances & Educational Differentials

Sworn public safety Unclassified and Confidential Middle Managers/Professionals will be provided with the uniform allowances and educational differentials as specified in the applicable public safety MOU.

16. Bilingual Pay

Those Unclassified and Confidential Middle Managers/Professionals who, upon recommendation of their Department Head, approval of the Director of Human Resources, and successful completion of a bilingual performance evaluation will receive \$100 per month in addition to their regular pay on the condition that they continuously utilize their bilingual skills in the performance of their duties effective the first full pay period after adoption.

17. Special Assignment Pay

Unclassified and Confidential Middle Managers/Professionals may receive up to 10% additional compensation when assigned by the City Manager to a special project.

IV. **CONFIDENTIAL GROUP** - ARE CLASSIFIED UNREPRESENTED EMPLOYEES UNLESS OTHERWISE NOTED IN EXHIBIT X – GROUP MEMBERSHIP LISTING.

A. SALARY & WAGES

1. One-time Stipend

Employees shall receive a one-time stipend in the amount of \$500 by the end of January, 2013. This one-time stipend is not intended to and does not meet the definition of special compensation outlined in the California Code of Regulations 571 (a) and therefore is not a reportable compensation to CalPERS.

2. Salary Increases

- a. Starting July 12, 2013, all Confidential positions shall receive a 2% salary adjustment
- b. In the first full pay period of January 2014, Confidential employees in classifications identified below shall receive the following salary adjustments:
 - i. Confidential employees in the following classification shall receive a 2% salary adjustment:
 - 1. Senior Legal Assistant
 - 2. Legal Assistant
 - 3. Public Information Specialist
 - ii. Confidential employees not receiving a salary adjustment set forth in section 2.b.i, shall receive a 1% salary adjustment.
- c. For Fiscal Year 2014-2015
 - i. There shall be no automatic salary adjustments, however, the City would endeavor in good faith, but cannot commit and is not required to, provide additional salary adjustments in FY 2014-15 based upon the City Manager's determination that salary adjustments are feasible based upon, but not limited to, consideration of the following financial indicators:
 - 1. The FiveYear Financial Forecast prepared by the the Finance Department reflects a structually balanced budget during the term of the next possible salary adjustment increases
 - 2. Assessed Value increased greater than 2% CPI based on the most recent report from the County of San Diego.
 - 3. General Fund Total Operating reserves have remained stable from the prior fiscal year.
 - 4. Sales Tax Trends reflect average increases in the past three consecutive reporting periods when compared to the same reporting periods in the prior year

B. BENEFITS

1. Retirement

The City will provide to unrepresented members retirement benefits via contract with the California Public Employees Retirement System (CalPERS) as set forth in the California Government Code.

The City will provide the following defined benefit formulas:

Tier 1* Local Miscellaneous 3% @ 60
 Local Safety 3% @ 50

Tier 2** Local Miscellaneous 2% @ 60
 Local Safety 3% @ 55

Tier 3*** Local Miscellaneous 2% @ 62
 Local Safety 2.7% @ 57

* CalPERS members on or before 04/21/2011

** New CalPERS members on or after 04/22/2011 through 12/31/2012

***New CalPERS members on or after 01/01/2013

Tier 1: Local Miscellaneous 3% @ 60 and Local Safety 3% @ 50

Local Miscellaneous unrepresented employees in Tier 1 shall contribute 8%, which will be applied to the City's contribution to CalPERS for optional benefits.

Local Safety unrepresented employees in Tier 1 shall contribute 9%, which will be applied to the City's contribution to CalPERS for optional benefits.

The following is a summary of Tier 1 CalPERS contract provisions:

- A. One-Year Final Compensation
- B. Post-Retirement Survivor Allowance
- C. Credit for Unused Sick Leave
- D. 4th Level 1959 Survivor Benefit
- E. Military Service Credit as Prior Service
- F. Cost of Living Allowance (2%)
- G. Post-Retirement Survivor Allowance Continuance
- H. Pre-Retirement Death Benefit for Spouse
- I. Retired Death Benefit \$5,000
- J. Prior Service Credit
- K. Employer Paid Member Contributions reported as earnings

Tier 2: Local Miscellaneous 2% @ 60 and Local Safety 3% @ 55

Local Miscellaneous unrepresented employees in Tier 2 shall contribute 7%, which will be applied to the employee contribution to CalPERS.

Local Safety unrepresented employees in Tier 2 shall contribute 9%, which will be applied to the employee contribution to CalPERS.

The following is a summary of Tier 2 CalPERS contract provisions:

- A. Three-Year Final Compensation
- B. Post-Retirement Survivor Allowance
- C. Credit for Unused Sick Leave
- D. 4th Level 1959 Survivor Benefit.
- E. Military Service Credit as Prior Service
- F. Cost of Living Allowance (2%)
- G. Post-Retirement Survivor Allowance Continuance
- H. Pre-Retirement Death Benefit for Spouse
- I. Retired Death Benefit \$5,000
- J. Prior Service Credit

Tier 3: Local Miscellaneous 2% @ 62 and Local Safety 2.7% @ 57

Local Miscellaneous and Local Safety unrepresented employees in Tier 3 shall be responsible for the full employee contribution, which will be applied to the CalPERS employee contribution.

To the extent permitted by Assembly Bill 340, known as the California Public Employees' Pension Reform Act of 2013, the following is a summary of Tier 3 benefits:

- A. Three-Year Final Compensation
- B. Post-Retirement Survivor Allowance
- C. Credit for Unused Sick Leave
- D. 4th Level 1959 Survivor Benefit. The monthly member cost for this benefit will be paid by the City.
- E. Military Service Credit as Prior Service
- F. Cost of Living Allowance (2%)
- G. Post-Retirement Survivor Allowance Continuance
- H. Pre-Retirement Death Benefit for Spouse
- I. Retired Death Benefit \$5,000
- J. Prior Service Credit

2. Termination of Sick Leave Balances

Upon either acceptance of an application by a Safety employee for disability retirement, or upon the independent determination of CalPERS that a non-safety employee is disabled, the employee shall not be entitled to use any remaining sick leave to cover absences beyond their FMLA entitlement. Sick leave balances may be applied to applicable CalPERS service credit. An application for industrial disability retirement, either employee or employer initiated, shall not affect the employee's rights under Workers' Compensation laws, such as any otherwise existing right to Temporary Disability benefits for safety officers.

3. Deferred Compensation Plans

457 plan - Employees in the Confidential Group may participate in the City's approved deferred compensation plans.

4. Cafeteria Plan

- a. In calendar year 2013, each Confidential Employee will received \$12,386 to be used solely for approved employee benefits.
- b. In the event of increases in health care plan premiums, the City will split the cost of the increase 50/50 with the employees. The annual cafeteria plan allotment will be increased by one-half of the average cost increase for full family non-indemnity health plan premiums. The City's share of the increased cost will be added to the beginning cafeteria plan balance of the next available cafeteria plan year.
- c. From the annual Cafeteria Plan allotment, each employee must elect medical coverage under one of the City sponsored plans, unless the employee has group medical insurance from another source including coverage under their City employee spouse's plan in which case they may waive coverage so long as the alternative plan is deemed to be an acceptable plan by the City. Waiver of coverage is irrevocable during a plan year unless the City is notified within 30 days that the employee has involuntarily lost the alternative coverage.
- d. The Flex Benefit Amount for Employee Only, those with coverage outside of the City, and those employees covered by another City employee is fixed at the amount provided in the calendar year 2013 (\$12,386). The flex amount for Employee+1 and Employee+Family will be adjusted under the current 50/50 cost sharing formula.

5. Short/Long Term Disability Insurance

The City will pay the full cost of the short/long-term disability insurance premium for the Confidential employees.

6. Professional Enrichment

The Confidential Employees Professional Enrichment Fund of \$6,250. Employees may receive up to a maximum of \$1,000 per fiscal year. Funds may be used at any time during the fiscal year. Fiscal year reimbursements under

the City's "Professional Enrichment" will be closed the second Thursday in June. Employees may request reimbursement for professional enrichment expenses in accordance with Internal Revenue Code Section 132, or any other applicable state and federal law. Employees must receive approval from their Appointing Authority or designee before funds may be claimed for reimbursement. Reimbursements are on a first come, first serve basis until the funds have been exhausted.

7. Life Insurance

City pays for a Group Term Life and AD&D insurance policy with coverage in the amount of \$50,000 per employee.

8. Sick Leave

Sick leave shall accrue and be reimbursed as designated in the Civil Service Rules

9. Annual Leave

a. Employees will accrue 80-hours during the first through fourth years of service (cumulative to a total leave balance of 180-hours). This benefit will be accumulated at the rate of 3.07 working hours for each full biweekly pay period of service performed.

b. Employees will accrue and be eligible to receive 120-hours (cumulative to a total leave balance of 260-hours) during the fifth through ninth year of service. The benefits will be accumulated at the rate of 4.60 working hours for each full biweekly pay period of service performed.

c. Employees will accrue and be eligible to receive 160-hours (cumulative to a total leave balance of 340-hours) during the tenth through fourteenth years of service. This benefit will be accumulated at the rate of 6.14 working hours for each full biweekly pay period of service performed.

d. Employees will accrue and be eligible to receive 200-hours (cumulative to a total leave balance of 420-hours) during the fifteenth and succeeding years of service. This benefit will be accumulated at the rate of 7.70 working hours for each full biweekly pay period of service performed.

e. Vacation accrual rate changes will become effective at the beginning of the pay period closest to the actual date which includes the employee anniversary date of benefited status.

f. Vacation sell back – All confidential unrepresented classifications who have completed at least five (5) years of service shall have the option of selling up to 60-hours of said vacation back to the City one time per fiscal year. The accumulated vacation balance will be reduced accordingly.

g. Each part time confidential unrepresented employee paid at a biweekly rate shall be entitled to vacation with pay. The number of working days of such vacation shall be computed on the basis set forth in subsection (a), (b), (c), or (d) and shall be in the proportion that such part time employment bears to full time employment.

h. Employees separated from City service, whether voluntarily or involuntarily, shall be granted all of the unused vacation to which they are entitled based upon continuous service computed on the basis set forth in subsection (a), (b), (c), or (d). Payment shall be made hour-for-hour with any portion of an hour being considered a full hour.

i. Vacation Use: Vacation leave balances shall be reduced for actual time not worked to the nearest quarter hour. Absences may not be charged to vacation not already accumulated.

10. Holidays

- a. Confidential employees will receive 24 hours each fiscal year for floating holidays (Lincoln's and Washington Birthday's, and Admissions Day).
- b. The City will be closed on the following paid hard holidays: Independence Day, Labor Day, Veterans Day, Thanksgiving, Day after Thanksgiving, Christmas, New Year's Day, Martin Luther King Jr.'s Birthday, Cesar Chavez Day, Memorial Day.

11. Administrative Leave

Confidential employees will receive 40 hours of Administrative Leave each fiscal year.

12. Mileage Reimbursement

Employees in this unit shall be subject to a mileage reimbursement program when required to use their private automobile for authorized City business. Reimbursement rate will be tied to the IRS rate in effect at the time reimbursement is requested, as permitted by law.

13. Bilingual Pay

Those employees who, upon recommendation of the Department Head, approval of the Director of Human Resources Department, and successful completion of a Bilingual Performance Evaluation, and who are required to continuously use their bilingual skills in the performance of their duties, will receive \$100 per month in addition to their regular pay effective the first full pay period after adoption.

14. Special Assignment Pay

Confidential employees may be eligible to receive a maximum of 15% above their base pay when assigned by the Appointing Authority or designee and

approved by the City Manager and the Director of Human Resources to a "Special Project."

15. Out-of-Class Assignment

When an employee is assigned to perform duties of a higher paid classification, immediately upon assignment, the employee shall be compensated with a minimum of 7.5% above the employee's current salary rate up to a maximum of 15% effective the first day of the out-of-class assignment. If the out of class assignment lasts for duration of 6 months the employee will receive an additional 5% compensation. Increases greater than 5% must be approved by the Director of Human Resources. Requests for out-of-class compensation shall be submitted by the Appointing Authority on a "Payroll Change Notice" form as percentage amounts only.

16. Notice of Change in Work Schedule

The City will strive to give at least fourteen calendar day (14 calendar days) notice to employees when management initiates a change in an employee's work schedule except in cases of emergencies.

17. Additional Floating Holiday

Confidential employees will receive one additional "Floating Holiday" for fiscal year 2013 only.

V. MAYOR, COUNCIL AND CITY ATTORNEY

A. SALARY & WAGES

1. Salary Increases

The Mayor shall receive an annual salary equivalent to 66% of the salary of a Judge of the Superior Court of the State of California. The four Council members shall receive 40% of the salary of the Mayor. Salary adjustments will occur at the same time and be effective on the same date as the Superior Court Judges.

2. The City Attorney shall receive an annual salary as set forth by resolution.

B. BENEFITS

1. Cafeteria Plan

Cafeteria plans will be set at the level specified for Executive Managers. The cafeteria plan is to be used solely for approved employee benefits. From the annual Cafeteria Plan allotment, each employee must elect medical coverage under one of the City sponsored plans, unless the employee has group medical insurance from another source including coverage under their City employee spouse's plan in which case they may waive coverage so long as the alternative plan is deemed to be an acceptable plan by the City. Waiver of coverage is irrevocable during a plan year unless the City is notified within 30 days that the employee has involuntarily lost the alternative coverage.

The Flex Benefit Amount for Employee Only, those with coverage outside of the City, and those employees covered by another City employee is fixed at the amount provided in the calendar year 2013 (\$15,162). The flex amount for Employee+1 and Employee+Family will be adjusted under the current 50/50 cost sharing formula.

2. Auto Allowance

The Mayor may elect to receive a monthly auto allowance up to \$1,000. Council members may elect to receive a monthly auto allowance of up to \$550. The allowance is contingent upon evidence of adequate auto insurance.

3. Travel Reimbursements

The Mayor and Council members shall receive reimbursement on order of the City Council for Council-authorized travel and other expenses when on official duty outside of the City.

4. Stipends

- a. The Mayor and Council members will receive \$50 stipend for attending Housing Authority meetings. No member shall receive compensation for

attending more than four meetings of the Housing Authority during any calendar month.

VI. UNCLASSIFIED HOURLY EMPLOYEES

A. SALARY & WAGES

1. Salary Increase

- a. Starting July 12, 2013, those UCHR position titles that match a bargaining unit classification title shall receive a salary adjustment equivalent to the position it matches. All other UCHR classifications shall receive a 2% salary adjustment effective pay period beginning 8/9/2013.

B. BENEFITS

1. Retirement

- a. UCHR employees are enrolled in the Public Agency Retirement System Alternate Retirement System (PARS-ARS)
- b. The City pays 3.75% of the employee's salary into the employee's PARS-ARS account
- c. Each pay period 3.75% will be deducted from the employee's salary and deposited to the employee's PARS-ARS account

X. GROUP MEMBERSHIP LISTING

The following shows the classifications assigned to each group as of December, 2012.

A. EXECUTIVE MANAGEMENT GROUP¹

City Manager (Contract)
City Clerk (Contract)
Assistant City Manager
Chief of Police
CBAG Executive Director
Deputy City Manager
Development Services Department Director
Director of Conservation and Environmental Services
Director of Economic Development
Director of Human Resources
Director of Information Technology Services
Director of Public Works
Director of Engineering
Director of Finance
Director of Library
Director of Recreation
Fire Chief
Senior Assistant City Attorney

B. SENIOR MANAGEMENT GROUP¹

Administrative Services Manager
Advanced Planning Manager
Animal Care Facility Administrator
Assistant Chief of Police
Assistant Director of Development Services
Assistant City Attorney
Assistant City Clerk
Assistant Director of Engineering
Assistant Director of Finance
Assistant Director of Human Resources
Assistant Director of Information Technology
Assistant Director of Recreation
Assistant Director of Public Works
Assistant to the City Manager
Budget and Analysis Manager
Building Official/Code Enforcement Manager
CBAG Deputy Executive Director
CBAG Director- IV LECC
CBAG Director-SD LECC
CBAG Deputy Executive Director
CBAG Program Manager

Chief Service Officer
 City Engineer
 Deputy City Attorney III
 Deputy Fire Chief
 Development Planning Manager
 Fiscal Operations Manager
 Human Resources Operations Manager
 Information Technology Manager
 Marketing and Communications Manager
 Police Captain
 Purchasing Agent
 Redevelopment and Housing Manager
 Risk Manager
 Treasury Manager

C. UNCLASSIFIED AND CONFIDENTIAL MIDDLE MANAGEMENT/PROFESSIONAL GROUP¹

Benefits Manager	MM-Confidential
CBAG Budget Manager	MM-Unclassified
CBAG Microcomputer Specialist	Professional-Unclassified
CBAG Meth Strike Force Coordinator	Professional-Unclassified
CBAG Network Manager	MM-Unclassified
CBAG Network Administrator I	Professional-Unclassified
CBAG Network Administrator II	Professional-Unclassified
CBAG Program Analyst	Professional-Unclassified
CBAG Program Manager	Professional-Unclassified
CBAG Senior Public Safety Analyst	Professional-Unclassified
Constituent Services Manager	Professional Unclassified
Deputy City Attorney I	Professional-Unclassified
Deputy City Attorney II	Professional-Unclassified
Deputy City Clerk I	Professional-Unclassified
Fire Division Chief	MM-Unclassified
Fiscal and Management Analyst	Professional-Confidential
Human Resources Analyst	Professional Confidential
Law Office Manager	MM-Unclassified
Principal Human Resources Analyst	Professional-Confidential
Real Property Manager	MM-Unclassified
Senior Accountant	MM-Confidential
Senior Deputy City Clerk	Professional-Unclassified
Senior Human Resources Analyst	Professional-Confidential
Special Events Coordinator	Professional-Unclassified
Transit Coordinator	Professional-Unclassified
Transit Manager	MM-Unclassified

D. CONFIDENTIAL GROUP¹

Accountant
 Accounting Technician (Finance/Payroll)

Administrative Secretary	
Administrative Technician (Communications)	
Administrative Analyst II	
Associate Accountant	
Benefits Technician	
CBAG Analyst	Confidential-Unclassified
CBAG Accounting Technician	Confidential-Unclassified
CBAG Administrative Analyst I	Confidential-Unclassified
CBAG Administrative Analyst II	Confidential-Unclassified
CBAG Executive Assistant	Confidential-Unclassified
CBAG Graphic Designer/Webmaster	Confidential-Unclassified
CBAG Management Assistant	Confidential-Unclassified
CBAG Public Safety Analyst	Confidential-Unclassified
CBAG RCFL Network Engineer	Confidential-Unclassified
Executive Secretary	Confidential-Unclassified
Human Resources Technician	
Legal Assistant	
Public Information Specialist	
Senior Benefits Technician	
Senior Council Assistant	Confidential-Unclassified
Senior Legal Assistant	
Senior Administrative Secretary	
Senior Human Resources Technician	

¹The City of Chula Vista serves as a pass through agency for the California Border Alliance Group (CBAG); CBAG positions shall receive the benefit package detailed for the Executive, Senior, Middle Management/Professional Unclassified, and Confidential group in which the CBAG classification is designated. All CBAG positions are unclassified.